

THE BUZZ

RESOURCES FOR MISSOURIANS

Spring/Summer of 2009

WELCOME TO ANOTHER EDITION OF THE BUZZ

A newsletter designed to help Missourians learn more about energy conservation and ways they can take control of their monthly heating and cooling bills.

These days it seems as if everything is more difficult to handle with our current economy. It's getting tougher and tougher to maintain a household budget.

However, there are steps every household can take today to minimize energy use and stabilize related costs. Energy conservation is something that can be done year round and is within your control.

WHAT'S ALL THE BUZZ ABOUT?

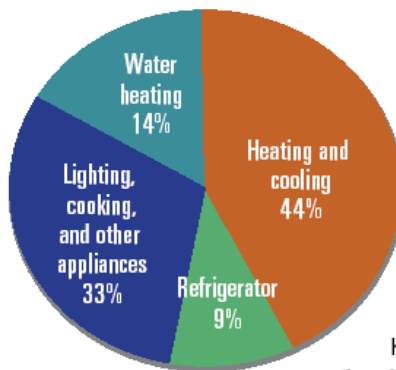
TAKE CONTROL OF YOUR ENERGY COSTS AND STRIVE TO BE MORE ENERGY EFFICIENT. Take the lead in preparing for the summer cooling season and stay cool for less.

DID YOU KNOW?

When buying an appliance, it has two price tags: what you pay to take it home and what you pay for the energy and/or water it uses. ENERGY STAR® qualified appliances incorporate advanced technologies that use 10-50% less energy and water than standard models. The money you save on your utility bills can more than make up for the cost of a more expensive but more efficient ENERGY STAR model.

Did you know that properly using a programmable thermostat in your home is one of the easiest ways you can save energy, money and help our environment? An ENERGY STAR qualified programmable thermostat helps make it easy for you to save by offering a number of pre-programmed settings or regulate your home's temperature in both the summer and winter, when you are asleep or away.

How We Use Energy In Our Homes



The largest portion of a utility bill for a typical house is for heating and cooling.
(based on national average)

According to the U.S. Department of Energy, the average household spends more than \$2,000 a year on energy bills, nearly half of which goes to heating and cooling. Homeowners can save about \$180 a year by properly setting their programmable thermostats and maintaining those settings.

YOU can **Prepare**, **Conserve** and **Save**.

The purpose of this newsletter is to provide information to consumers and to raise awareness of the potential for higher energy costs. Additional information may be found on the website: www.beenergyefficient.org

TAKE STEPS TO PREPARE YOUR HOME

DON'T WAIT - START NOW

**MORE ENERGY SAVING TIPS
ARE AVAILABLE AT THESE WEBSITES**

www.dnr.mo.gov/energy/
www.doe.gov/energyefficiency/
www.energystar.gov/
www.ase.org



TAX CREDITS THAT WILL HELP YOU SAVE

(Source: U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy)

The American Recovery and Reinvestment Act of 2009 and the tax section of the act provides greater tax credits for clean energy projects at homes and businesses and for the manufacturers of clean energy technologies.

Beginning in 2009, you can get an income tax credit of up to a lifetime total cap of \$1,500 for installing efficient new windows, insulation, doors, roofs, and heating and cooling equipment in your home. However, efficiency criteria will vary depending on when these items are "placed in service" (installed).

Who gets it? Individuals who install specific energy-efficient home improvements.

What energy-efficient home improvements are eligible? The overall \$1,500 cap can be reached in several ways with the purchase and installation of energy-efficient products that meet certain efficiency criteria:

Exterior windows: Includes skylights and storm windows.

Insulation, exterior doors, or roofs: Includes seals to limit air infiltration, such as caulk, weather stripping, and foam sealants, as well as storm doors.

Central air conditioner, heat pump, furnace, boiler, water heater, or bio gas (e.g. corn) stove: Starting in 2009, geothermal heat pumps are instead eligible for a separate tax credit.

How much is the credit? The tax credit amount is now 30 percent of the cost of the measures, including installation costs for heating and cooling equipment, but only product costs for windows, insulation, and other parts of the building "shell." There is a total lifetime cap on the credit amount of \$1,500; thus the credit applies to up to \$5,000 in total costs.

When is it available? The home improvements tax credit applies for improvements "placed in service" from January 1, 2009, through December 31, 2010. However, modifications to the criteria were made on products placed in service after February 17, 2009. The credits were not available in 2008, but an earlier credit, with different criteria and credit amounts, was available in 2006 and 2007. The IRS defines "placed in service" as when the products or materials are ready and available for use – this would generally refer to the installation, not the purchase.

What do I need to do to get the tax credit? You will need to file IRS Form 5695 with your taxes. In addition, you will need to keep at least receipts proving that you purchased the improvements and a copy of the manufacturer's certification. Accountants and tax advisors should also be able to provide more guidance.



"Be Energy Efficient" is an initiative of the Missouri Public Service Commission and the Missouri Department of Natural Resources. This initiative is aimed at helping consumers remain in control of their energy bills.

Watch for our next issue of THE BUZZ coming in the Fall of 2009.

For any additional information call: 1-800-392-4211



MISSOURI
DEPARTMENT OF
NATURAL RESOURCES